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A REVIEW OF SUPPORT TO STATISTICAL SYSTEMS FOR MONITORING THE SOCIAL DIMENSIONS OF ADJUSTMENT

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A REVIEW OF SUPPORT TO STATISTICAL SYSTEMS FOR MONITORING THE SOCIAL DIMENSIONS OF ADJUSTMENT1/

1. INTRODUCTION

1.1 The Social Dimensions of Adjustment (SDA) project was launched in July 1987 by the UNDP Regional Programme for Africa, the African Development Bank, and the World Bank in collaboration with other multilateral and bilateral agencies. The objective is to strengthen the capacity of governments in the Sub-Saharan African Region to integrate social dimensions in the design of their structural adjustment programs. The program consists of several components, namely; strengthening national planning capabilities, improving the design of social policies and projects, and building up appropriate information bases. In this paper, the focus will be on the work done under the SDA umbrella to strengthen statistical systems, however it should be borne in mind that, under the SDA, statistics are treated as a means to an end rather than as an end in itself.

1.2 The first time the SDA program was introduced to the Joint Conference was at the last meeting 2 years ago. At that time, there was still comparatively little to report in terms of country-level activities and achievements as the initial focus of the project had been on defining a methodological framework within which countries would be able to address the Social Dimensions of Adjustment. The SDA program includes both a regional component and a country-level component. The regional component, based in Washington DC, works on coordination activities, methodological research, project preparation and follow-up. The country-level activities consist of the country programs themselves. At the time that the first paper was presented in 1991, there were 16 countries that had been appraised, but the only statistical activities at country level were the ongoing support of the Living Standards Measurement Survey (LSMS) surveys in Cote d'Ivoire, Ghana, and Mauritania.

1.3 The occasion of the 1992 Joint Conference provides a good opportunity for assessing the evolution of the program over the past two years and of highlighting the directions it is likely to move into in the future.

1/ Paper to be presented at the seventh session of the Joint Conference of African Planners, Statisticians and Demographers; Addis Ababa, February 1992

2. PROGRESS SINCE 1990

SDA Organization and Coordination:

2.1 The first 2 years of this decade have been years of very intense activity for the SDA. One of the most positive outcomes has been the mainstreaming of the SDA program within the World Bank. This has been achieved through the creation of a new technical division, dealing exclusively with Social Policy and Poverty (AFTSP), within the Africa region. This division, which brings together the SDA, Food Security, and Women in Development, is the very first division in the Bank to be working exclusively on poverty and marks an important commitment by the Bank to tackling issues of social policy. In addition, each country department in the Africa Region now also has two people working closely with AFTSP on issues associated with social dimensions.

2.2 In the area of statistics and information systems, the SDA regional unit has, in the last two years. also been progressively building up its resources and capabilities to provide ongoing support to participating SDA countries. The Social Monitoring and Analysis Group within AFTSP is now the Bank's largest repository of statistical expertise in the Africa Region and consists of survey statisticians, data processing specialists and socioeconomic analysts all working on helping countries to develop appropriate information systems to improve the design of poverty-sensitive economic reform programs.

2.3 In parallel with the mainstreaming activities within the Bank, there has been a very conscientious effort to strengthen coordination with partners outside the Bank. For a multi-donor funded program such as the SDA and one which must also cover multiple sectors, the issue of coordination is a particularly important and complex one. The main coordinating body for the program is the SDA Steering Committee composed of donors and technical agencies with an interest in the SDA which, in general, meets twice a year. The Steering Committee provides the program with broad guidelines and directions. To facilitate the work of the Steering Committee, a smaller Working Group meets before Steering Committee to prepare the way. Two technical subcommittees have also been formed to deal with specific technical issues. These are the SDA Statistics Subcommittee and the SDA Regional Training Program Subcommittee. Originally consisting only of donors and technical agencies, membership of these subcommittees has been expanded to include representatives from the participating SDA countries. These subcommittees have, in the last year, come to play an increasingly important role in monitoring and

evaluating the respective components of the SDA program and in providing an important coordinating mechanism to reduce duplication of efforts and coordination of technical activities.

2.4 At the last meeting of the Statistics Subcommittee which met in Cairo in September 1991, the recommendations were made that membership be opened up to all directors of statistics (or their representatives) in participating SDA countries, and that two meetings be organized each year - one to provide an intercountry exchange of experiences on purely technical issues, and the other to review strategic and operational issues. The Training Subcommittee, which last met in Munich in October 1991, similarly recognized the importance of its role in promoting coordination and steering regional training activities in the areas of surveys and statistics, policy analysis, and social program design and implementation.

Country Operations

2.5 While there has been much activity at the regional level over the past two years, it is really at the country level that most of the work has taken place. In the past two years, the level of country participation has dramatically increased. Among the 33 participating countries, 28 Sub-Saharan countries and Egypt have SDA activities planned or ongoing, 18 have activities being implemented, 5 countries have been appraised but funding has not been secured, and 5 countries are at the pre-appraisal stage. In Somalia, where disbursement had started, all activities have stopped.

2.6 In the area of statistics and national information systems, there have been substantial activities both in the area of data analysis and data collection. On the analysis side, the initial focus was on the execution of Country Assessment Papers (CAPs). The purpose of the CAP was to help with the formulation and design of the SDA program using whatever data was available in the country. Increasingly, as projects have become operative, the emphasis has switched to the preparation of Poverty Profiles using household survey data. Such profiles have been conducted using data collected through the SDA survey program as well as from other household survey sources. On the data collection side, so far, 15 countries are currently implementing Household Survey Programs. Table 1 summarizes the main analytical and survey outputs at the time of writing.

Table 1
Summary of data analysis, processing and collection activities: 1989-1992

	ANALYSIS		DATA COLLECTION AND PROCESSING			
			Priority Survey		Integrated or income/ expenditure survey	
	Country assessments[1]	Poverty profiles[2]	Results available[3]	In progress[4]	Results available[5]	In progress[6]
PRE 1990	11	2			2	
1990	1	3			3	
1991		1	4	6	3	5
TOTAL	12	6	4	6	8	5

1 Togo, Central African Republic, Madagascar, Zaire, Burundi, Rwanda, Malawi, Cameroon,
2 Mauritania, Mozambique, Zambia, Senegal.
3 Mauritania, Rwanda, Ghana, Cote d'Ivoire, Uganda, Somalia
4 Chad, Guinea Bissau, Guinea, Zaire
5 Cote d'Ivoire, Senegal, Zambia, Gambia, Malawi, Mauritania
6 Cote d'Ivoire (4 years), Ghana (2 years), Mauritania (2 years)
Ghana, Senegal, Madagascar, Uganda, Malawi

2.7 In addition to the formal surveys, qualitative Beneficiary Assessment methods to collect information are also being proposed to countries. This approach provides project managers and policymakers with information about community-based factors that may enhance or limit project success such as living conditions, economic realities and expressed needs of beneficiaries. Beneficiary assessments have started this year in the Central African Republic, Zambia and Mali, and one is planned in Madagascar.

2.8 An important feature of the SDA program has been its success in raising funds for statistical activities. In the 3 year period since the first countries started to participate in the SDA program, 23 statistical programs have been appraised and US $ Million 57.5 has been earmarked specifically for supporting national statistical offices. Of this, US$ Million 23.3 are in the form of World Bank loans, US$ Million 28.6 are through grant financing leaving a US$ Million 5.3 funding gap that is still to be filled. A breakdown by country is given in Annex 1.

Implementation Issues:

2.9 ADAPTABILITY OF METHODS: As the SDA Statistical Subcommittee has pointed out at several of its meetings, the SDA survey methodology needs to be kept flexible and the prototype surveys should be capable of being adapted to meet specific country requirements. Countries implementing both

the IS and the PS have consequently been encouraged to include an extensive review process with national users and to make such adaptations as they see fit, without jeopardizing the overall survey objectives. Chad and Guinea Bissau are examples of countries that have made relatively few alterations to the basic PS questionnaire but have added expanded expenditure modules. Senegal and Cote d'Ivoire on the other hand are examples of countries that have made extensive adaptations. Ghana has done the same for the IS, by expanding the expenditure section so as to be able to satisfy other national information needs.

2.10 But there are of course trade offs. Countries that chose to implement an IS or a PS without making many changes have been better placed to take advantage of the "off-the-shelf" SDA questionnaire, systems designs and tabulation plans. This has meant that they have been able to move ahead with the implementation of their surveys faster than other countries where more substantive changes have been proposed to the prototype designs. But, on the other hand, they have had to accept the rigidities entailed in using the unmodified prototype system. The advantages and disadvantages of adhering strictly to the prototype designs are issues that have to be carefully weighed by each country.

2.11 DATA PROCESSING ISSUES: The area of data processing remains a difficult one for nearly all countries and the cause of some of the longest delays. While some countries, such as Chad and Ghana, have experienced delays in the acquisition of materials (hardware and software), the main problems are in the training and retention of suitably qualified persons to design and implement the necessary systems. Africa suffers from the fact that few software companies are willing to provide the sort of support and backup services that are really needed. It also suffers from the fact that many of the best programmers who are sent overseas for training leave public service to take up more remunerative employment in the private sector when they return to their own countries.

2.12 In assisting countries to strengthen their data processing capabilities, the SDA is following several strategies:

- The regional SDA unit has been making available its own DP specialists directly to certain countries, including Ghana, Cote d'Ivoire, Guinea Conakry. This has taken the form of extended missions (4-8 weeks) to the countries to help set up the systems and to train national staff in the use of the software. This strategy however puts enormous demands on the SDAs own DP team and

efforts are now underway to identify African consultants familiar with the SDA systems who can be made available to SDA countries.

- The SDA has also been working closely with agencies having more specialized resources in the area of data processing that are able to provide extended follow-up services and training to national DP staff, and it is passing over to them the responsibility for providing the technical follow-up in the area of data processing. The clearest example has been the association that has been built up with the International Statistical Programs Center (ISPC). Not only does the ISPC provide software, but it has also followed this up with training and technical missions to the countries its systems. Countries to be helped in this way include, Chad, Senegal and Madagascar.

- The SDA also places considerable emphasis in its regional training program on data processing referred to earlier.

2.13 Data processing issues will, however, continue to dominate the problems faced by national statistical offices, and these issues are clearly not unique to the SDA program. In the long term, solutions will need to be sought through a collaborative effort by donors to build up and deepen national capacities in this rapidly evolving area.

2.14 MOVING FROM A SURVEY PROGRAM TO A WELFARE MONITORING SYSTEM: The development and implementation of an SDA statistical program is not an end in itself but only a means to an end, which is to assist countries to address social issues in the design and implementation of national economic reform programs. It is essential therefore that the survey data are <u>used</u> and fed quickly into the national planning and policy-making process. The effectiveness of the survey instruments must eventually be judged on this basis. The development of a welfare monitoring system, which is the basic objective of the SDA statistical program, is more however than the mere implementation of a program of household surveys. Under the SDA program, the objective is not just to strengthen national institutional capabilities to <u>collect</u> data, but also to <u>analyze</u> it and <u>disseminate</u> it. Increasing emphasis is being given to these 'downstream' elements of the overall monitoring system. The Kenya Household Welfare Monitoring system, for instance, which is being supported by the SDA, entails the strengthening of a unit within the Ministry of Planning which will have as part of its functions, the maintenance of a socioeconomic database and the production of an annual report on social trends.

Regional Level Activities:

2.15 METHODOLOGICAL WORK: During the period under review, the SDA has been heavily engaged in the area of methodological development. The broad conceptual framework for the SDA is presented in Making Adjustment Work for the Poor 2/ This provides the necessary economic rationale for the SDA, the empirical framework that countries need to develop, and a review of the major policy issues to be considered. The second document in the series consists of a set of Analysis Plans 3/ designed to assist policymakers, planners and analysts in studying the effects of adjustment on welfare. The third and fourth documents provide guidelines on how to implement the SDA Priority Survey4/ and SDA Integrated Survey5/ which would provide the necessary data for the proposed analysis.

2.16 One more document in the series that should be released shortly is a report providing guidelines for carrying out and analyzing Community Surveys. In this regard, it is also worth highlighting the increasing emphasis that the SDA is putting on the need for qualitative data to complement the more traditional statistical surveys. Another document to be produced will be a set of guidelines for conducting Beneficiary Assessment using methodologies developed and used more by sociologists.

2.17 As far as future methodological work is concerned, the main emphasis will be on methodological testing at the country level. It is intended that, as far as possible, ideas for methodological research should come from the countries themselves, however the following issues are also being proposed for consideration: the use of normative versus actual answers for collecting income and expenditure data, the use of different recall periods, the use of

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2/ World Bank. 1990. Making Adjustment work for the Poor. SDA Unit, Africa Region, Washington D.C.

3/ World Bank. 1990. Analysis Plans for Understanding the Social Dimensions of Adjustment. SDA Unit, Africa Region, Washington, D.C.

4/ Grootaert and Marchant. 1991 The Social Dimensions of Adjustment Priority Survey. An Instrument for the Rapid Identification and Monitoring of Policy Target Groups . SDA Working Paper No. 12. Washington, D.C.: World Bank

5/ World Bank. 1991. The SDA Integrated Survey: A Survey to Measure Poverty and Understand the Effects of Policy Change on Households. SDA Unit, Africa Region, Washington, D.C.

diaries for expenditure surveys. There is also an awareness of the need for more work to be done in the area of developing socioeconomic databases and advising on the setting up of systems that allow for easy updating and access to the data as well as for easy maintenance. Software for survey data processing is another important issue and, although the SDA would not be directly involved in the development of such software, it is trying to establish and maintain contacts with those institutions that are.

2.18 ANALYTICAL WORK: The analytical challenge for the SDA is to establish the linkages between macroeconomic policy, and welfare at the household level. Essentially, the bulk of the analysis is to be carried out at country level by national planners and policy-makers. There is nevertheless also an important regional studies component which comes under the regional SDA program. In addition to the reports and studies produced at the country level by national institutions, the main outlet has been the SDA Working Paper Series. This series aims to disseminate in a quick and informal way the results and findings from the Project to policymakers in the countries and the international academic community as well as the staff of international agencies and donors associated with the project. At the time of writing 11 papers have been produced in the series. These include national poverty profiles as well as sectoral studies based on the approaches advocated in the SDA Analysis Plans. Consequently, apart from their intrinsic interest, they are also of value as models for national analysts to draw from.

2.19 INSTITUTIONAL DEVELOPMENT AND TRAINING: The efforts of the SDA initiative to support institutional development and training are closely coordinated with related ongoing activities. Programs dealing with institutional development in the statistical area -- data gathering, processing and analysis, poverty assessments and analysis -- are under implementation in all the participating countries. The SDA training-related activities have been carried out in three areas: (a) regional courses, (b) national courses and (c) workshops.

2.20 Regional Courses: (i) A course on Data Preparation was organized in Abidjan from July 23 to August 17, 1990. The purpose of this course was to enable the participants to produce clean household-level data sets. (ii) A Study Tour to the World Bank's Headquarters and Bolivia was organized from September 12 through September 26, 1990 for managers of Social Development Funds in 5 countries: Benin, Uganda, Malawi, Guinea and Somalia. (iii) The first phase of a training course on labor market analysis was organized from September 3 to October 15, 1990, in Yaounde, Cameroon. It

is to be noted that a pilot course was initially offered in 1989 in Abidjan and was supported by the SDA unit through the provision of one staff as trainer. (iv) The second phase of the course on Labor Market Analysis was held in Yaounde Cameroon for 4 weeks, with the participation of 15 Cameroonians and non-Cameroonians. The SDA RTP funded the participation of 5 non-Cameroonians. (v) The course on Survey Data Processing was for 6 weeks, and was organized in Dar-es-Salaam by the Munich Center and the Eastern Africa Statistical Training Center (EASTC); 14 participants from 7 countries participated in this course.

2.21 National Courses: National training activities have been developed in the framework of SDA national Projects. They include, (i) A Survey Data Entry training course delivered in Malawi by the Munich Center from August 6 to August 28, 1990. (ii) The Regional Training Program has assisted in the placement and funding through national projects of the participation of nationals in training courses abroad, such as those organized by the ISPC (US Bureau of the Census) in statistical computing.

2.22 Workshops and Seminars: (i) A one day workshop on the SDA organized in Malawi. The purpose of this workshop was to build greater understanding between the government and its social partners, especially NGOs. (ii) A three-week workshop, which included poverty analysis of household survey data, was conducted in Uganda. (iii) The SDA Regional Training Program was represented in a number of workshops including a consultation meeting on a proposed Regional Training Project on food and Agricultural Policy Analysis, held in Arusha.

3. THE WAY AHEAD

3.1 In 1992, the SDA program will be moving into a new phase, and a revised project document is currently under preparation. It is proposed to establish under the UNDP fifth cycle (1992-96), a successor Program primarily country-focussed and involving even greater cooperation between African countries and the UNDP, the World Bank, the African Development Bank, and other multilateral and bilateral agencies and donors.

Objectives

3.2 In the next phase of the program, the objectives will be to support governments in the Region to design and implement poverty-focused social development strategies and

programs. This will be done by translating the four focus areas of the SDA Policy Agenda into country level programs through the following activities:

- Reinforcing national capacity for poverty assessment and monitoring;
- Strengthening macroeconomic and sectoral policy management with the goal of introducing poverty reduction in policy and program formulation;
- Supporting social action programs and measures such as beneficiary assessment;
- Implementing national training programs to improve analysis, design and assessment of social action programs and related initiatives; and
- Producing data needed for survey, analysis and poverty assessment activities.

Implementation Arrangements

3.3 The Program will consist of three related Regional Projects involving the three original cosponsoring agencies, UNDP, ADB, and the World Bank.

- It is proposed that UNDP will be responsible for managing the collective dialogue and continuing to ensure overall coordination as it did under the fourth cycle.
- The ADB will coordinate the identification, appraisal and follow-up of country programs. The ADB will ensure that project preparation and follow-up missions are undertaken jointly with UN agencies, as appropriate.
- The World Bank will support national programs to monitor and evaluate poverty and social issues, and to ensure that such concerns are adequately reflected in the design of macroeconomic policies. This will include continued support to and strengthening of national information systems and to the building up of national analytical capabilities.

4. FURTHERING STATISTICAL DEVELOPMENT IN AFRICA

4.1 SDA support to statistical services in Africa will continue to be an important component of the Fifth cycle program. But it is also important that this is placed in the broader context of statistical development for the

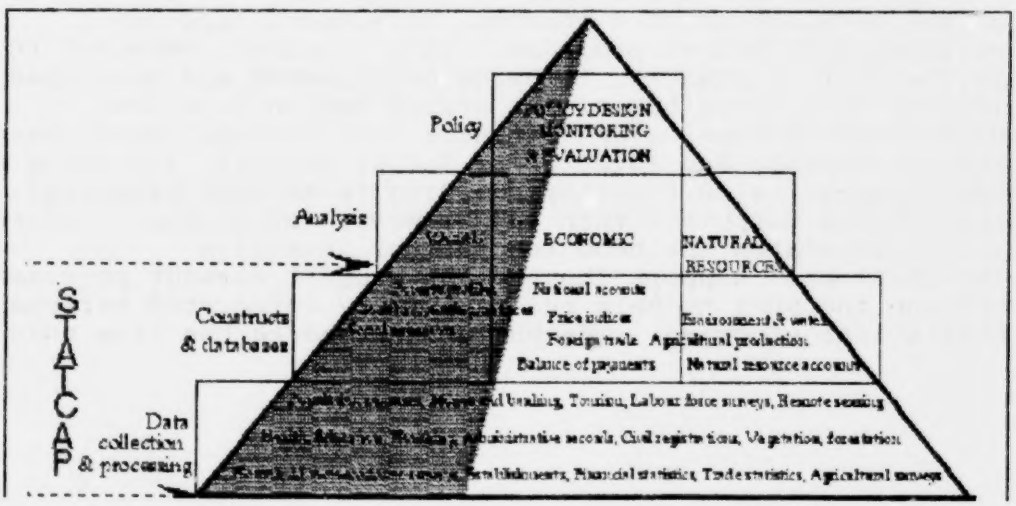
continent as a whole. Delegates to this conference need no reminding of the Addis Ababa Plan of Action for Statistical Development in Africa in the 1990s which was tabled at the 1990 Joint Conference and later adopted by the ECA's Council of Ministers. The Plan of Action proposes an intensive and coordinated support program to strengthen statistical capabilities in Africa. Collaborative efforts to improve the both the supply and use of statistical information are going to be the order of the day for the remainder of the decade. Realistic statistical development plans are however going to have to be conceived against the prevailing backdrop of the structural adjustment programs that nearly all African countries are experiencing. Statistical development will consequently have to promoted within a framework of economic reform, civil service reorganization and reduced resources for public service programs. Clearly, the SDA which, in recent years, has emerged as one of the most important mobilizer of resources for national statistical offices will be an important actor in this process, but more is still needed.

4.2 The World Bank will be an active partner in assisting African countries take the Addis Plan forward. In so doing, it is perhaps uniquely placed, as a result of the ongoing dialogue it has with national governments on their economic reform programs, to promote the need for strong statistical systems as part of the overall economic reform program. This integration of statistical capacity-building into the larger structural adjustment program has been a concept that has already become well established under the SDA program and will be an important prerequisite for success. It is evident that there will be considerable activity involving a number of national and international agencies working in the area of statistical capacity enhancement and, while it is unrealistic to expect that all these agencies will have fully compatible or similar objectives, there is without doubt a joint commitment to the cause of strengthening national statistical capabilities in Africa as well as a willingness to coordinate efforts in this enterprise.

4.3 To meet this challenge, the World Bank has been working on the development of a strategy to support capacity building statistical programs. This strategy, referred to in the Bank as STATCAP, is being coordinated and developed jointly by 3 divisions of the Africa Region Technical Department (Economics and Finance, Institutional Development and Management, and Poverty and Social Policy). The focus of the strategy is on capacity-building to deliver essential statistical outputs within the framework of economic reform and it advocates the need for further intensive international support (beyond the support already provided through the SDA) to help build up fully integrated national statistical programs. The World Bank shares the view that

there exists at present an imbalance between the demand for, and the supply of, statistical data. Drawing on the groundwork of the SDA, the Bank will stress the need to pay greater attention to the demand side, also that the production of statistics should be determined much more by national policy and development objectives than by international needs. This suggests that assistance in improving statistical systems needs to shift emphasis to improving the use to which statistical information is put. Statistical systems need to be seen holistically, with the collection, storage and dissemination, and analysis of information all interacting together. The demand-driven statistical system encourages wide interaction between: data users and producer; between the different suppliers of statistics, and; between donor agencies supporting statistical programs. It lays particular emphasis on information management as an issue that has to be addressed in developing a national information system. It goes without saying that the Bank, in carrying out its functions, will at all times be doing so in close consultation and coordination with the other organizations and agencies working towards the same common goal of statistical capacity-building in Africa.

4.4 The following diagram illustrates the relationship between the SDA program and STATCAP. The diagram shows how better planning and policy design depends on a solid information base. SDA areas of activity are broadly indicated by the shaded areas on the left hand side of the pyramid. They stretch from the bottom to the top. STATCAP, on the other hand, is multisectoral but is concentrated on the bottom two-thirds of the pyramid. If the primary objective of the SDA statistical program may be said to be to provide timely and pertinent data for policy design, then that of STATCAP is capacity-building to ensure that national organizations can build up the potential to define statistical priorities for policymaking and to supply and use statistics across all sectors on a sustainable basis.



ANNEX

Funding of Statistical Programs by Country and by Source as of December, 1991. (In US $ Million)

Country	Total	Govt.	ADB	UNDP	IDA	IBRD	SNDN	USAID	CIDA	EEC	FRG	ODA	Swiss	Nrwy	GAP
Burkina Faso	2.1	0.1			0.2									0.3	1.60
Cameroon	4.1					4.1									0.00
CAR	3.8				3.8										0.00
Chad	2.4							1.2					1.2		0.00
Cote d'Ivoire	1.6					1.6									0.00
Egypt	1.4				1.4										0.00
Gambia	3.3		3.3												0.00
Ghana	2.9				0.5						1.0	1.4			0.00
Guinea	2.6	0.3	0.8		0.9				0.6						0.00
G-Bissau	0.1				0.1										0.00
Kenya	2.8				2.0										0.80
Madagascar	2.0			1.0	1.0										0.00
Malawi	4.3	0.3	1.0		2.0						0.2	0.3		0.5	0.00
Mali	4.0		0.5		0.5					0.5				0.5	2.00
Mauritania	2.5										2.5				0.00
Mozambique	2.2			2.2											0.00
Sao Tome	0.4	0.4													0.00
Senegal	2.1	0.4			0.8				0.9						0.00
Somalia	2.6		2.6												0.00
Tanzania	2.9		1.5				1.5								0.00